

Bcc: Lokkesmoe, Smith, Ogren, Finstad, Kramer, Allison, Yuzna, J. Johnson, Kennedy, Hotvet, Warmka, Abeln, Maciej, C. Marshall, Simonson, Bauer, Hjermstad, Olson,



Request for City Council Committee Action From the Department of Public Works

Date: November 14, 2002

To: Transportation and Public Works Committee

**Subject: 2002 Levy of Various Public Works Department Special Assessments
and Adoption of Assessment Rolls**

Recommendation: Adoption of a Committee Report levying the special assessments upon the benefited properties, adopting the assessment rolls and directing the City Clerk to transmit certified copies of the assessment rolls to the Hennepin County Auditor.

Previous Directives: n/a

Prepared or Submitted by: Suzette R. Hjermstad, Real Estate Investigator II 673-2401

Approved: Brian J. Lokkesmoe, P.E., Interim City Engineer, Director of Public Works

By: Richard H. Smith _____

Presenters in Committee: Suzette R. Hjermstad, Real Estate Investigator II

Financial Impact (Check those that apply)

- ☒ No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
- ☐ Action requires an appropriation increase to the Capital Budget
- ☐ Action requires an appropriation increase to the Operating Budget
- ☐ Action provides increased revenue for appropriation increase
- ☐ Action requires use of contingency or reserves
- ☒ Other financial impact (Explain): Special assessments against benefited properties
- ☐ Request provided to the Budget Office when provided to the Committee Coordinator

Community Impact (use any categories that apply)
Neighborhood Notification
City Goals
Comprehensive Plan
Zoning Code
Other

Background/Supporting Information Attached

The purpose of this letter is to recommend the 2002 levy of various special assessments and to adopt the assessment rolls.

The assessments involve the following projects or charges:

1. Uptown (Hennepin-Lake Area) Streetscape Revitalization Project (including Supplemental). The project and assessment approvals in 1995 provided for 15% of the assessment total to be charged on the basis of land and building valuation, collected over 20 years with interest at 5.3% and recalculated for the properties each of the 20 years to reflect changes in valuation. This requires an annual certification to the County Auditor. The total amount of principal and interest for payable 2003 is \$18,824.85.
2. Washington Av N Reconstruction Lighting Project, Special Improvement of Existing Street No. 6600. The total principal amount of the special assessments approved by the City Council on September 29, 2000 is \$374,608.90. The final cost was less than the cost estimate resulting in a reduction to \$191,400.30. Assessments of more than \$150 are to be collected over 20 years. Assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.
3. Golden Valley Rd Street Lighting Project, Special Improvement of Existing Street No. 6596. The total principal amount of the special assessments approved by the City Council on May 19, 2000 is \$114,203.50. The final cost was less than the cost estimate resulting in a reduction to \$80,725. Assessments of more than \$150 are to be collected over 20 years. Assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.
4. Field Regina Street Lighting Project, Special Improvement of Existing Street No. 2216. The total principal amount of the special assessments approved by the City Council on February 16, 2001 is \$4,125,163.74. The final cost was less than the cost estimate resulting in a reduction to \$2,806,289.85. Assessments of more than \$150 are to be collected over 20 years. Assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.

5. East Isles Street Lighting Project, Special Improvement of Existing Street No. 2211. The total principal amount of the special assessments approved by the City Council on May 5, 2000 is \$799,500. The final cost was less than the cost estimate resulting in a reduction to \$675,493.86. Assessments of more than \$150 are to be collected over 20 years. Assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.
6. Central Neighborhood Phase III Street Lighting Project, Special Improvement of Existing Street No. 2218. The total principal amount of the special assessments approved by the City Council on May 23, 2001 is \$413,000. The final cost was less than the cost estimate resulting in a reduction to \$381,353.04. Assessments of more than \$150 are to be collected over 20 years. Assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.
7. Riverview Street Lighting Project, Special Improvement of Existing Street No. 2215. The total principal amount of the special assessments approved by the City Council on December 29, 2000 is \$43,000. An additional assessment was approved by the City Council on November 21, 2001 for \$5,500, resulting in an increase to \$48,500. Assessments of more than \$150 are to be collected over 20 years. Assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.
8. Hennepin (Franklin –Groveland) Street Lighting Project, Special Improvement of Existing Street No. 2217. The total principal amount of the special assessments approved by the City Council on April 11, 2002 is \$16,760. The final cost was less than the cost estimate resulting in a reduction to \$13,962. Assessments of more than \$150 are to be collected over 20 years. Assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.
9. Xerxes and 50th Area Street Lighting Project, Special Improvement of Existing Street No. 2219. The total principal amount of the special assessments approved by the City Council on June 8, 2001 is \$20,500. Assessments of more than \$150 are to be collected over 20 years. Assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.
10. Bryant & 50th Area Street Lighting Project, Special Improvement of Existing Street No. 2220. The total principal amount of the special assessments approved by the City Council on June 8, 2001 is \$13,375. Assessments of more than \$150 are to be collected over 20 years. Assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.
11. Central Av NE Street Lighting Project, Special Improvement of Existing Street No. 2207. The total principal amount of the special assessments approved by the City Council on March 3, 2000 is \$325,000. Assessments of more than \$150 are to be collected over 20 years. Assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.

12. Third Av S Street Reconstruction Project, Special Improvement of Existing Street No. 6538. The total principal amount of the special assessment approved by the City Council on March 22, 2002 is \$346,722.48. Assessments of more than \$150 are to be collected over 20 years. Assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.
13. Viking Electric Center Turn Island Project, Special Improvement of Existing Street No. 2237. The total principal amount of the special assessment approved by the City Council on April 4, 2002 is \$41,000. Assessments are to be collected over 10 years.
14. 35th Street Renovation Project, Special Improvement of Existing Street No. 2960. The total principal amount of the special assessments approved by the City Council on June 21, 2002 is \$212,857. Assessments of more than \$150 are to be collected over 10 years. Assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.
15. 36th Street Renovation Project, Special Improvement of Existing Street No. 2961. The total principal amount of the special assessments approved by the City Council on June 21, 2002 is \$180,858. Assessments of more than \$150 are to be collected over 10 years. Assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.
16. Fulton Street SE Renovation Project, Special Improvement of Existing Street No. 2954. The total principal amount of the special assessments approved by the City Council on July 26, 2002 is \$26,444. Assessments of more than \$150 are to be collected over 10 years. Assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.
17. Huron Blvd Intersection Reconstruction Project, Special Improvement of Existing Street No. 6680. The total principal amount of the special assessments approved by the City Council on July 26, 2002 is \$16,986. Assessments of more than \$150 are to be collected over 20 years. Assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.
18. Alley Construction (1500 Block between California and Grand Streets NE), Special Improvement of Existing Alleys No. FS01#11. The total principal amount of the special assessments approved by the City Council on September 14, 2001 is \$69,325. Assessments of more than \$150 are to be collected over 20 years. Assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.
19. Alley Renovation and Alley Retaining Wall Rehabilitation Projects approved by the City council on June 27, 2001 as follows:
 - a. 2500 Block (Central Av NE to Jackson St NE), Special Improvement of Existing Alley No. FS01#2. The total principal amount of the special assessments approved by the City Council is \$5,100

- b. 3100 Block (Ulysses St NE to Johnson St NE), Special Improvement of Existing Alley No. FS01#3. The total principal amount of the special assessments approved by the City Council is \$7,750.
- c. 2700 Block (Pierce St NE to Fillmore St NE), Special Improvement of Existing Alley No. FS01#4. The total principal amount of the special assessments approved by the City Council is \$5,600.
- d. 2700 Block (Pierce St NE to Fillmore St NE), Special Improvement of Existing Alley No. FS01#5. The total principal amount of the special assessments approved by the City Council is \$5,200.
- e. 4200 Block (Bryant Av N to Colfax Av N), Special Improvement of Existing Alley No. FS01#6. The total principal amount of the special assessments approved by the City Council is \$16,000.
- f. 5000 Block (Penn Av S to Queen Av S), Special Improvement of Existing Alley No. FS01#7. The total principal amount of the special assessments approved by the City Council is \$6,875.
- g. 2400 Block (Pillsbury Av to Pleasant Av), Special Improvement of Existing Alley No. FS01#8. The total principal amount of the special assessments approved by the City council is \$5,600.
- h. 5700 Block (28th Av S to 27th Av S), Special Improvement of Existing Alley No. FS01#9. The total principal amount of the special assessments approved by the City Council is \$4,200.
- i. 2500 Block (Central Av NE to Polk St NE), Special Improvement of Existing Alley No. FS01#10. The total principal amount of the special assessments approved by the City Council is \$5,200.

Assessments of more than \$150 are to be collected over 10 years. Assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.

- 20. 30th and Weeks Av Sanitary Sewer Project, Special Improvement of Existing Street No. 4323. The total principal amount of the special assessments approved by the City Council on August 11, 2000 is \$57,000. Assessments are to be collected over 20 years.
- 21. 2002 Alley Resurfacing Program, Special Improvement of Existing Alleys No. FS02#1. The total principal amount of the special assessments approved by the City Council on September 13, 2002 is \$68,976.64. Assessments of more than \$150 are to be collected over 5 years. Assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.
- 22. 1500 Block of 22nd Av N between Irving and Illion Aves N, 2002 Alley Retaining Wall Project, Special Improvement of Existing Alley No. FS02#2. The total principal amount of the special assessments approved by the City Council on September 13, 2002 is \$7,500. Assessments of more than \$150 are to be collected over 5 years. Assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.

23. Water Main re-route (24-inch watermain in 5th Av S from 10th St S to Grant St S). The total principal amount of the special assessment approved by the City Council (as petitioned by the property owner) on June 8, 2001 was not to exceed \$131,000. The final cost was less than the cost estimate resulting in a reduction to \$119,628.37. Assessments are to be collected over 10 years.
24. Project No. 2003, Snow and Ice Removals from Public Sidewalks. The total amount of the special assessments approved by City Council on October 25, 2002 is \$953.72. Assessments are to be collected in their entirety on the 2003 real estate tax statements.
25. Project No. 2003, Public Sidewalk Repair and Construction. The total amount of the special assessments approved by City Council on October 25, 2002 is \$1,139,269.49. Prepayments have been received to further reduce the assessment rolls to \$1,132,315.07. Assessments of more than \$1500 are to be collected over 10 years. Assessments of more than \$150 up to \$1500 are to be collected over 5 years and assessments of \$150 or less are to be collected in their entirety on the 2003 real estate tax statements.
26. Project No. 2003, Water and Sewer Service Line Repairs. The total amount of the special assessments approved by City Council on October 25, 2002 is \$531,411 for water service line repairs and \$110,994.45 for sewer service line repairs. Prepayments have been received to further reduce the assessment rolls to \$516,451 for water service line repairs. Assessments of more than \$150 are to be collected over 5 years at an interest rate of 8%.
27. Street Maintenance annual assessments against non-governmental real property exempt from real estate taxes at approved rate of \$0.45 per front foot. There is no interest charge applied.
28. Street Lighting Operation and Maintenance annual assessment against non-governmental real property exempt from real estate taxes as per enclosed list of approved Street Lighting Districts and Assessment Rates. There is no interest charge applied.

29. There was an Assessment Bond Sale during 2002 and the total amount of the assessment bonds (Public Works Improvement Bonds) sold was \$5,890,000. An analysis was made from the interest rates from the Bond Sale. The extracted rates from the Bond Sale, as reported by the Secretary of the Board of Estimate and Taxation, are as follows:

The recommended interest rate for 20-year assessments is 4.7%;

The recommended interest rate for 10-year assessments is 4.0%;

The recommended interest rate for 5-year assessments is 3.9%;

The recommended interest rate for 1-year assessments is 3.75%.

State Law requires that special assessments be levied and certified to the County Auditor on or before November 30, 2002 for collection on the 2003 real estate tax statements.

Cc: Jack Qvale, Secretary, Board of Estimate and Taxation